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October 31, 2013

VIA FEDERAL EXPRESS

Ms. Marlene H. Dortch
Federal Communications Commission
c/o U.S. Bank - Government Lockbox # 979091
SL-MO-C2-GL
1005 Convention Plaza
St. Louis, MO 63101

Attention: FCC Government Lockbox

Re: Application of DukeNet Communications, LLC, Transferor, and Time Warner Cable Inc., Transferee, for Authority Pursuant to Section 214 of the Communications Act of 1934, as Amended

Dear Ms. Dortch:

Enclosed for filing please find an original and five copies of the application of the above-referenced parties for authorization to transfer control of the Domestic Section 214 Authorization of DukeNet Communications, LLC to Time Warner Cable Inc., together with a Form FCC 159 and a check in the amount of \$1,050 for the filing fee.

Please date-stamp the copy of this filing enclosed for that purpose and return to me in the pre-paid Federal Express envelope provided. If you have any questions, please contact us.

Respectfully submitted,



Matthew A. Brill
Brian W. Murray

Enclosure

cc: Jodie May
William Dever

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

In the Matter of)	
)	
DukeNet Communications, LLC,)	WC Docket No. 13-_____
Transferor,)	
)	
and)	
)	
Time Warner Cable Inc.,)	
Transferee)	
)	
Application for Authority Pursuant to)	
Section 214 of the Communications Act)	
of 1934, as Amended, to Transfer Control)	
of Domestic Section 214 Authorization of)	
DukeNet Communications, LLC)	

**APPLICATION —
STREAMLINED PROCESSING REQUESTED**

Time Warner Cable Inc. (“TWC”) and DukeNet Communications, LLC (“DukeNet,” and together with TWC, the “Applicants”) hereby request authority pursuant to Section 214 of the Communications Act of 1934, as amended (the “Act”), and Section 63.04 of the Commission’s rules, to transfer control of DukeNet from its current owners to TWC.¹ DukeNet holds domestic Section 214 authority to provide interstate telecommunications services pursuant to the blanket authorization under Section 63.01(a) of the Commission’s rules.² As described herein, the proposed transaction will promote the public interest by joining two nondominant telecommunications providers and thereby enable both to compete more effectively with incumbent local exchange carriers (“ILECs”) and other large competitors. In addition, the

¹ 47 U.S.C. § 214; 47 C.F.R. § 63.04.

² 47 C.F.R. § 63.01(a).

proposed transaction qualifies for streamlined treatment under Section 63.03(b) of the Commission's rules.³

I. DESCRIPTION OF THE APPLICANTS

A. Time Warner Cable Inc.

TWC is a publicly traded corporation organized under the laws of the state of Delaware and, through its operating subsidiaries, is the fourth-largest multichannel video programming distributor ("MVPD") in the United States. TWC provides video, broadband Internet access, telecommunications, and Voice over Internet Protocol ("VoIP") services to residential and business customers in 29 states across the nation. TWC's subsidiaries include nondominant carriers that are authorized to provide domestic interstate telecommunications services pursuant to 47 C.F.R. § 63.01(a).

In addition, TWC's subsidiaries are authorized to provide intrastate telecommunications services in Alabama, Arizona, California, Colorado, Hawaii, Idaho, Illinois, Indiana, Kansas, Kentucky, Maine, Massachusetts, Michigan, Missouri, Nebraska, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, Texas, Virginia, Washington, West Virginia, and Wisconsin.

Finally, TWC's subsidiary TWC Communications LLC holds international Section 214 authority for global facilities-based and global resale services (FCC File No. ITC-214-20030117-00043).

TWC's financial, technical, and legal qualifications to acquire DukeNet are matters of public record.

³ *Id.* § 63.03(b).

B. DukeNet Communications, LLC

DukeNet is a limited liability company organized under the laws of the state of Delaware. It is a nondominant domestic telecommunications carrier, authorized to provide competitive local exchange and intrastate interexchange telecommunications services in Alabama, Florida, Georgia, North Carolina, South Carolina, Tennessee, and Virginia. Since 1994, DukeNet has developed and managed fiber optic and microwave systems for wireless, local and long-distance communications companies, Internet service providers, large enterprises, and government institutions. DukeNet's regional network spans approximately 8,700 route miles and 160,000 fiber miles, including 5,000 route miles (137,000 fiber miles) of metro fiber; approximately two-thirds of DukeNet's route miles and approximately 95 percent of DukeNet's fiber miles are located in North Carolina and South Carolina. DukeNet's business includes providing transport for interexchange carriers, competitive local exchange carriers ("CLECs") and enterprise customers, as well as wireless backhaul and dedicated Internet access. DukeNet does not currently offer switched voice or other services to residential end users.

DukeNet is a direct, wholly owned subsidiary of DukeNet Communications Holdings, LLC ("DukeNet Holdings"), a limited liability company organized under the laws of the state of Delaware. DukeNet Holdings is a joint venture between (i) DukeNet VentureCo, Inc. ("DukeNet Venture"), which holds a direct, 50-percent interest in DukeNet Holdings and thus an indirect, 50-percent interest in DukeNet, and (ii) Alinda Telecom Investor I, L.P. ("Alinda I") and Alinda Telecom Investor II, L.P. ("Alinda II"), which hold direct interests of 29.64565 percent and 20.35435 percent, respectively, in DukeNet Holdings, and thus equivalent, indirect interests in DukeNet.⁴

⁴ See Public Notice, *Domestic Section 214 Authorization Granted; Domestic Section 214 Application Filed for the Acquisition of Assets of DukeNet Communications, LLC* by

DukeNet Venture is a corporation organized under the laws of the state of Delaware and is a direct, wholly owned subsidiary of Duke Energy Services, Inc., a Delaware corporation that in turn is an indirect, wholly owned subsidiary of Duke Energy Corp. (“Duke Energy”), also a Delaware corporation. Duke Energy, through its various affiliates, is one of the largest electric power companies in the United States.

Alinda I’s ultimate parent is Alinda Infrastructure Fund II, L.P., a limited partnership organized under the laws of the state of Delaware. Alinda I’s general partner is Alinda Telecom I GP, LLC, a limited liability company organized under the laws of the state of Delaware.

Alinda II’s ultimate parent is Alinda Infrastructure Parallel Fund II, L.P., a limited partnership organized under the laws of the Cayman Islands. Alinda II’s general partner is Alinda Telecom II GP, LLC, a limited liability company organized under the laws of the state of Delaware.

II. DESCRIPTION OF THE TRANSACTION

On October 4, 2013, TWC, DukeNet Venture, DukeNet Holdings, Alinda I, and Alinda II entered into an equity purchase agreement (the “EPA”) pursuant to which TWC will acquire control of DukeNet Holdings and DukeNet. The acquisition will occur through the sale of the equity in DukeNet Holdings by Alinda I, Alinda II, and DukeNet Venture to TWC. As a result of the acquisition, DukeNet will be an indirect, wholly owned subsidiary of TWC. Exhibit A to this application is a chart depicting the direct and indirect ownership of DukeNet both before and after the consummation of the EPA. DukeNet will continue to hold its domestic Section 214 authority.

As described below, the proposed transfer of control will enhance DukeNet's ability to deliver high-quality telecommunications to existing and prospective customers. At the same time, the planned transaction will not cause any interruption in service to customers. No existing service will be discontinued, reduced, or impaired in conjunction with the transaction, nor will the proposed transaction cause any immediate change to any customer's service provider.

III. INFORMATION REQUIRED BY SECTION 63.04 OF THE COMMISSION'S RULES

In accordance with Section 63.04 of the Commission's rules, the Applicants submit the following information in support of this Application.

1. Name, address, and telephone number of each applicant

Time Warner Cable Inc.
60 Columbus Circle
New York, NY 10023
(212) 364-8200

DukeNet Communications, LLC
400 South Tyron Street
Charlotte, NC 28202-1904
(704) 382-8104

2. States of organization

TWC: TWC is a corporation organized under the laws of the state of Delaware.

DukeNet: DukeNet is a limited liability company organized under the laws of the state of Delaware.

3. Correspondence concerning this application should be addressed to:

For TWC:

Julie P. Laine
Group Vice President & Chief Counsel, Regulatory
Time Warner Cable Inc.
60 Columbus Circle
New York, NY 10023
(212) 364-8482

Terri B. Natoli
Vice President, Regulatory Affairs & Government Relations
Time Warner Cable Inc.
901 F Street, NW
Suite 800
Washington, DC 20004
(202) 370-4222

with copies to:

Matthew A. Brill
Brian W. Murray
Latham & Watkins LLP
555 Eleventh Street, NW
Suite 1000
Washington, DC 20004
(202) 637-2200

For DukeNet:

Lin S. Altamura
Senior Vice President, Secretary and General Counsel
DukeNet Communications, LLC
400 South Tryon Street
Suite 2900
Charlotte, NC 28285
(704) 382-4534

with copies to:

Thomas J. Dougherty, Jr.
Fletcher, Heald & Hildreth, P.L.C.
1300 North 17th Street
11th Floor
Arlington, VA 22209
(703) 812-0409

4. Ownership of Applicants

a. TWC

No person owns a 10 percent or greater direct or indirect interest in TWC. TWC is a publicly traded United States corporation organized under the laws of the State of Delaware with a principal place of business at 60 Columbus Circle, New York, New York 10023. TWC's

principal business is providing video, broadband Internet access, telecommunications, and VoIP services to residential and business customers. Upon the consummation of the proposed transaction, TWC will indirectly own and control all of the voting and equity stock of DukeNet.

b. DukeNet

DukeNet's current ownership is described in Section I.B above.

5. Anti-Drug Abuse Act certification

No party to this Application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.

6. Description of the transaction

The transaction is described at Section II of this Application.

7. Description of the geographic areas in which the transferor and transferee (and their affiliates) offer domestic telecommunications services, and what services are provided in each area

The respective services and operating areas of TWC and DukeNet are as described in Section I above.

8. Statement as to how the application fits into one or more of the presumptive streamlined categories in this section or why it is otherwise appropriate for streamlined treatment

This Application satisfies the criteria set forth in Section 63.03(b)(2) for presumptive streamlined processing because: (i) the Applicants have a market share in the interstate interexchange market of less than 10 percent, (ii) the Applicants provide competitive telephone exchange services or exchange access services (if at all) exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the proposed transaction, and (iii) the Applicants are not dominant with respect to any telecommunications service.⁵ As the

⁵ 47 C.F.R. § 63.03(b)(2); *Implementation of Further Streamlining Measures for Domestic Section 214 Authorizations*, Report and Order, 17 FCC Rcd 5517 ¶ 28 (2002)

Commission has explained, “[w]here facilities-based carriers proposing to combine are not dominant with respect to any service . . . , it is extremely unlikely that the proposed combination could result in a public interest harm, particularly where their combined market shares are relatively low.”⁶ Accordingly, this Application should be processed on a streamlined basis.

9. Identification of all other Commission applications related to the same transaction

There are no other Commission applications related to this proposed transaction.

10. Statement of whether the applicants are requesting special consideration because either party to the transaction is facing imminent business failure

The Applicants are not requesting such special consideration of this Application.

11. Identification of any separately filed waiver requests being sought in conjunction with the transaction

There are no other separately filed waiver requests being sought in connection with the proposed transaction.⁷

(“*Streamlining Order*”) (stating that streamlined treatment is “presumed to apply” when “neither of the applicants is dominant with respect to any service . . . [and] where a transaction would result in a transferee having a market share in the interstate, interexchange market of less than 10 percent, and the transferee would provide competitive telephone exchange services or exchange access services (if at all) exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction”).

⁶ *Streamlining Order* ¶ 30.

⁷ Although DukeNet is authorized to operate as a CLEC and to provide telephone exchange service in some of TWC’s cable franchise areas, TWC need not request a waiver of the buyout restriction in Section 652(b) of the Act because the Commission has granted forbearance with respect to that provision. *See National Cable & Telecommunications Association Conditional Petition for Forbearance from Section 652 of the Communications Act for Transactions Between Competitive Local Exchange Carriers and Cable Operators*, Order, 27 FCC Rcd 11532 (2012).

12. Statement showing how grant of the application will serve the public interest, convenience and necessity

Grant of this Application will serve the public interest, convenience, and necessity, as discussed in Section IV below.

IV. THE TRANSACTION WILL PROMOTE THE PUBLIC INTEREST

The Commission's grant of this Application will serve the public interest, convenience, and necessity. As a result of the proposed transfer of control, DukeNet will be owned and operated by TWC, the fourth-largest MVPD in the nation and a highly experienced provider of data and voice services. The combination of these companies will create operating efficiencies as well as scale and scope advantages that should make DukeNet a more effective competitor. Whereas DukeNet operates within seven states, TWC's more expansive, 29-state footprint will create various advantages for the combined company, including the ability to offer customers the advantages of broader on-net connectivity and new service bundles, and to eliminate redundant facilities where appropriate. By lowering the combined company's cost structure and facilitating the delivery of high-quality, innovative services, these efficiencies will bolster the company's ability to deliver benefits to its customers and strengthen its ability to compete with the dominant ILEC in each service area—typically, AT&T, Verizon, or Windstream—as well as with other large telecommunications providers such as Level 3 Communications and tw telecom.

The proposed transaction will entail particular benefits for enterprise customers and wholesale customers (such as wireless carriers). As noted above, the combination of TWC's and DukeNet's fiber networks will benefit enterprise and carrier customers by creating more extensive connectivity and potential cost savings. In addition, TWC will be able to offer existing DukeNet customers an array of new services (including IP voice) that DukeNet currently does not provide. The opportunity to bundle distinct offerings creates greater value for customers and

will enhance competition in DukeNet's service territory. TWC provides a broad range of business class services as well as backhaul services for wireless providers, both of which offer critical alternatives to ILECs' special access and other services.⁸ Moreover, TWC's previous acquisition of NaviSite, a leader in cloud computing services, creates further opportunities for enterprise customers to benefit from an integrated suite of managed services. Just as the integration of NaviSite's cloud-based services with TWC's IP-enabled networks has produced benefits for TWC customers, the proposed transaction will facilitate the ability of DukeNet's customers to obtain a wider range of highly reliable, scalable, and customizable service enhancements including Managed Cloud Services, Managed Application Services, Managed Messaging Services, and Enterprise Hosting.⁹ Further, as noted above, the proposed transaction will not cause any interruption in service to customers.

Nor will the proposed transfer of control materially diminish competition in any relevant market or otherwise harm the public interest. TWC and DukeNet are relatively minor players in the business services marketplace and qualify as nondominant under the Commission's rules. Moreover, TWC and DukeNet have historically focused primarily on different customer segments, as TWC has predominantly served the mass market and small and medium-sized businesses and DukeNet has targeted larger enterprise and governmental customers. As a result, any diminution in potential competition occasioned by the planned transaction will be *de minimis* and offset by the competitive strength and efficiencies that are expected to arise from the combination of DukeNet and TWC. Indeed, for that reason, the Commission's streamlined

⁸ See TIME WARNER CABLE BUSINESS CLASS, <http://www.timewarnercable.com/en/business-home.html> (last visited Oct. 18, 2013).

⁹ See NAVISITE, <http://www.navisite.com> (last visited Oct. 15, 2013).

processing rules call for approving transactions such as this one without any detailed competition review.¹⁰

V. CONCLUSION

For the foregoing reasons, the Applicants respectfully submit that the public interest, convenience, and necessity will be served by a grant of this Application, and request that the Commission grant it on a streamlined basis.

Respectfully submitted,


DUKENET COMMUNICATIONS, LLC

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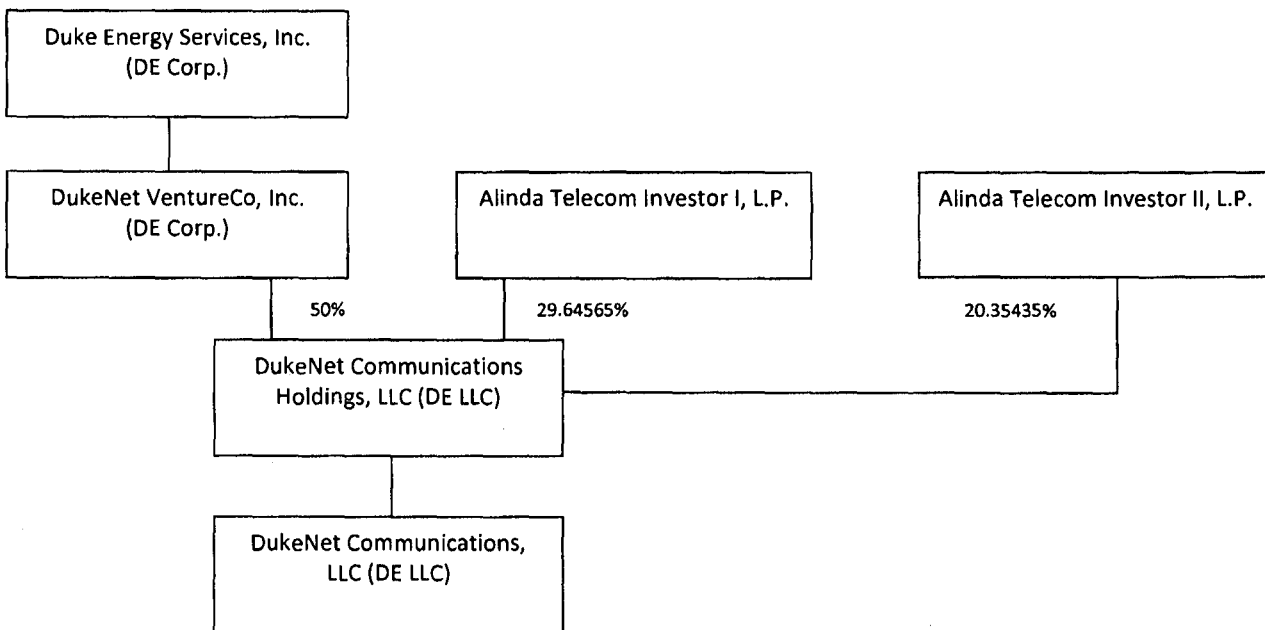
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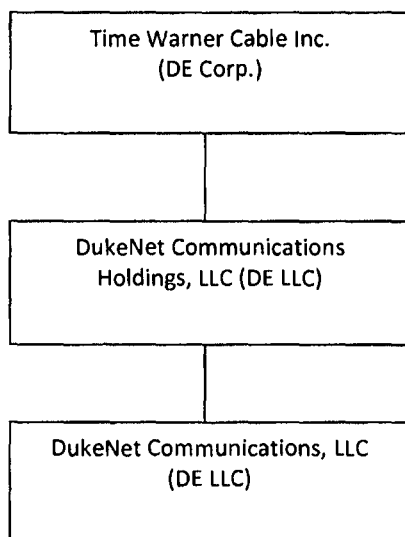
Dated: October 31, 2013

¹⁰ See *Streamlining Order* ¶ 30 (providing for streamlined approval of transactions between non-dominant providers of telecommunications services, even where they compete with one another, based on the very low likelihood of competitive harm from such transactions).

Existing Ownership Structure of DukeNet



Proposed Ownership Structure of DukeNet



READ INSTRUCTIONS CAREFULLY
BEFORE PROCEEDING

FEDERAL COMMUNICATIONS COMMISSION
REMITTANCE ADVICE
FORM 159

Approved by OMB
3060-0589
Page No. 1 of 2

(1) LOCKBOX # 979091		SPECIAL USE ONLY	
		FCC USE ONLY	
SECTION A - PAYER INFORMATION			
(2) PAYER NAME (if paying by credit card enter name exactly as it appears on the card) Time Warner Cable		(3) TOTAL AMOUNT PAID (U.S. Dollars and cents) \$1050.00	
(4) STREET ADDRESS LINE NO. 1 60 Columbus Circle			
(5) STREET ADDRESS LINE NO. 2			
(6) CITY New York		(7) STATE NY	(8) ZIP CODE 10023
(9) DAYTIME TELEPHONE NUMBER (include area code) 2123648482		(10) COUNTRY CODE (if not in U.S.A.)	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(11) PAYER (FRN) 0007556251		(12) FCC USE ONLY	
IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C) COMPLETE SECTION BELOW FOR EACH SERVICE. IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(13) APPLICANT NAME Time Warner Cable			
(14) STREET ADDRESS LINE NO. 1 60 Columbus Circle			
(15) STREET ADDRESS LINE NO. 2			
(16) CITY New York		(17) STATE NY	(18) ZIP CODE 10023
(19) DAYTIME TELEPHONE NUMBER (include area code) 2123648482		(20) COUNTRY CODE (if not in U.S.A.)	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(21) APPLICANT (FRN) 0007556251		(22) FCC USE ONLY	
COMPLETE SECTION C FOR EACH SERVICE. IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(23A) CALL SIGN/OTHER ID	(24A) PAYMENT TYPE CODE CDT	(25A) QUANTITY 1	
(26A) FEE DUE FOR (PTC) \$1050.00	(27A) TOTAL FEE \$1050.00	FCC USE ONLY	
(28A) FCC CODE 1		(29A) FCC CODE 2	
(23B) CALL SIGN/OTHER ID	(24B) PAYMENT TYPE CODE	(25B) QUANTITY	
(26B) FEE DUE FOR (PTC)	(27B) TOTAL FEE	FCC USE ONLY	
(28B) FCC CODE 1		(29B) FCC CODE 2	
SECTION D - CERTIFICATION			
CERTIFICATION STATEMENT I, _____, certify under penalty of perjury that the foregoing and supporting information is true and correct to the best of my knowledge, information and belief.			
SIGNATURE _____		DATE _____	
SECTION E - CREDIT CARD PAYMENT INFORMATION			
MASTERCARD _____ VISA _____ AMEX _____ DISCOVER _____			
ACCOUNT NUMBER _____		EXPIRATION DATE _____	
I hereby authorize the FCC to charge my credit card for the service(s)/authorization herein described.			
SIGNATURE _____		DATE _____	